### NOTICE THE TITLE!

ENVIRONMENTAL DEFENSE FUND JOIN FOR FREE

Home

What's New

Polluter Locator

Pollutian Rankings

POLLUTER LOCATOR Text-Based Search for **Environmental Release Reports** 



Scorecard can give you a detailed report on chemicals being released from any of more than 17,000 manufacturing plants, or a summary report for any of over 7,000 zip codes, 2,000 counties, 50 states, or the entire country. Search for a facility or area by name, or use the Polluter Locator's maps to find polluters in your community.

About the Chemicals Health Effects Regulatory Controls Personalize Scorecard Glossary About Scorecard

Search Tips

| arch Scor | ecand  |
|-----------|--------|
|           |        |
|           |        |
| G٥        | $\neg$ |

Select One of the Options Below

| Facility part of t | <b>Reports:</b> Search for a father company name, or by | acility by <i>either</i> to specifying a city | yping all or<br>y and state. |
|--------------------|---|---|------------------------------|
| Company            |   | Go  |                              |
| Citv               |   | State   | H                            |
| #1#A               | choose a state  | Go  | 715                          |
| Zip Cod            | e Reports: Exter a five-                                | digit zip code.                               | ofi                          |
| 7:                 | 53740   |   | •                            |

County Reports: Select a state, then click on the "Go To County List" button to see a list of counties you can choose within that state

| State | choose a state        |               | Go To County List |
|-------|-----------------------|---------------|-------------------|
| State | Reports: Sele         | ct a state.   |                   |
| State | choose a state        |               | Go                |
| Natic | nal Report: <u>Vi</u> | ew the nation | al report.        |

PLEASE NOTE: Scorecard's Environmental Release Reports combine data from the U.S. EPA <u>Toxics Release</u> Inventory (TRI) with information on the potential health hazards of toxic chemicals. These reports account only for pollution from manufacturing companies that reported to TRI in 1995 (the most recent year available) and include only the 650 chemicals covered by TRI.

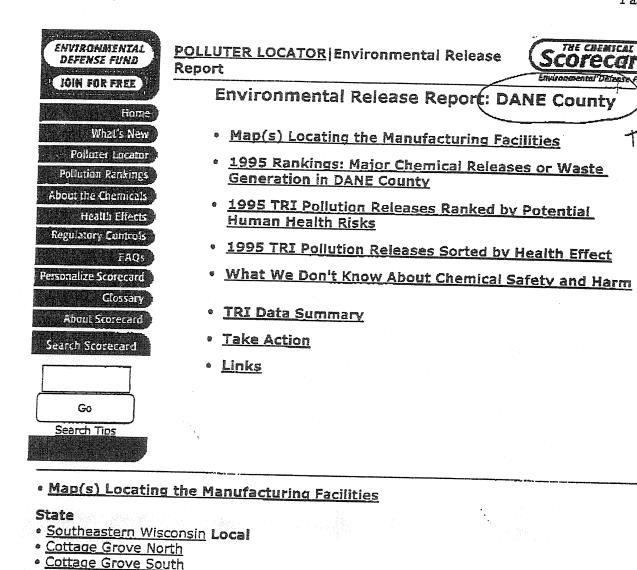
TRI data on pollution releases in 1996 were publicly released by U.S. EPA on June 18, 1998. Scorecard will be updated to include this information as soon as possible. Click here if you would like to be notified when the 1996 data are available on Scorecard.

Scorecard cannot tell you whether the amount of pollution in your own area is safe or unsafe, and it does not calculate the amount of health risk that reported pollution in your area poses. Scorecard tells you which chemical releases in your area might be of potential health concern, based on available data, and helps you identify the highest priorities among those chemical releases,

3 PAGES HAVE AND INFORMAND

FOR

JANE



I chose Madison North for further information

Madison South

De Forest

• Madison North

Madison Southwest

- Middleton
- Stoughton
- Sun Prairie
- Verona
- Waunakee

[top]

• 1995 Rankings: Major Chemical Releases or Waste Generation in DANE County\*

In 1995, this county ranked in the top 20% of all counties in the US in terms of

- noncancer hazards
- air releases of suspected cardiovascular or blood toxicants
- air releases of suspected developmental toxicants
- air releases of suspected reproductive toxicants

In 1995, this county ranked in the top 20% of all countles in the state in terms of

- <u>air releases of recognized developmental toxicants</u>
- More...

3

\*Note: These rankings are based on chemical releases and transfers reported by manufacturing facilities to the <u>Toxics Release Inventory</u>, and do not take into account major sources of pollution or toxic chemicals that are not covered by TRI.

[ top ]

### • 1995 TRI Pollution Releases Ranked by Potential Human Health Risks

Top Ranked Cancer Risk: <u>LEAD</u>
Top Ranked Noncancer Risk: <u>COPPER</u>

[ qoi ]

| <ul> <li>1995 TRI Pollution Releases Sorted by</li> </ul> | Health Effect*       |   |
|---|----------------------|---|
|   | <u> Air Releases</u> | Water Releases                          |
|   | (Pounds from TRI     | (Pounds from TRI                        |
|   | <u>sources)</u>      | <u>sources)</u>                         |
| Recognized Carcinogens                                    | <u> 18.530</u>       |   |
| Suspected Carcinogens                                     | <u>264</u>           |   |
| Suspected Cardiovascular or Blood                         | 1 214 700            | * 0                                     |
| <u>Toxicants</u>  | 1,314,708            | <u>10</u>                               |
| Recognized Developmental Toxicants                        | <u>120,369</u>       |   |
| Suspected Developmental Toxicants                         | 1,218,343            |   |
| Suspected Endocrine Toxicants                             | 87,079               |   |
| Suspected Immunotoxicants                                 | 237,233              | 5                                       |
| Suspected Kidney Toxicants                                | <u>367,896</u>       | <u>5</u>                                |
| Suspected Gastrointestinal or Liver                       | E22 (C2              |   |
| <u>Tôxicants</u>  | <u>523,667</u>       |   |
| Suspected Musculoskeletal Toxicants                       | <u>5</u>             |   |
| Suspected Neurotoxicants                                  | <u>1,383,583</u>     | - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 |
| Recognized Reproductive Toxicants                         | 314                  | <del>-</del>                            |
| Suspected Reproductive Toxicants                          | 1,164,401            |   |
| Suspected Respiratory Toxicants                           | 1,435,859            | <u>10</u>                               |
| Suspected Skin or Sense Organ                             |                      |   |
| <u>Toxicants</u>  | <u>1,260,593</u>     | <u>. 5</u> .,                           |

<sup>\*</sup>Note: Some chemicals are associated with more than one health effect, so their release may be counted multiple times in this table. Therefore, it is not appropriate to sum releases sorted by health effect. Total reported releases to air and water are provided in the data summary below.

[ top ]

| <ul> <li>What We Don't Know About Chemical Safety and Harm</li> </ul> |               |                   |  |  |  |  |  |  |
|---|---------------|-------------------|--|--|--|--|--|--|
|   | 1995 Releases | without the       | Percent of TRI releases without the information regulred for |  |  |  |  |  |
| Release Type  | TRI Sources)  | safety assessment |  |  |  |  |  |  |
| Air Releases  | 1,467,968     | 1,341,705         | 91%  |  |  |  |  |  |
| Carcinogen Releases to Air  | 18,530        | 14,924            | 81%  |  |  |  |  |  |
| Developmental and   |               |                   |  |  |  |  |  |  |
| Reproductive Toxicant Releases  | 120,369       | <u>314</u>        | 0%   |  |  |  |  |  |
| to Air  |               | -                 |  |  |  |  |  |  |
| Water Releases  | 10            | <u>5</u>          | 50%  |  |  |  |  |  |
| [ <u>top</u> ]  |               | _                 |  |  |  |  |  |  |

• TRI Data Summary

Environmental Releases, Transfers, and Production-Related Waste (Pounds from TRI sources)

|       |  | <u>Fugitive</u> |          |                      |          | Total                | Total  | Total              |
|-------|--|-----------------|----------|----------------------|----------|----------------------|--|--------------------|
|       | Stack Air  | Air             |          | Underground          |          | <b>Environmental</b> | Off-Site   | Production-Related |
| Year  | The second secon | Releases        | Releases | <u>Injection</u>     | Releases | Releases             |  | Waste              |
| 1988  | 860,900  | 648,914         | 1,327    | 0                    | 138,750  | 1,649,891            | 557,194  | NA<br>NA           |
| 1989  | 950,884  | 730,282         | 271      | 0                    | 3,768    | 1,685,205            | 285,827  | NA.                |
| 1990  | 1,161,733  | 551,183         | 31       | 0                    | , o      | 1,712,947            |  | NA NA              |
| 1991  | 1,144,221  | 571,809         | 13       | 0                    | ٥        | 1,716,043            |  | 2,860,082          |
| 1992  | 1,072,278  | 672,339         | 7        | 0                    | 250      | 1,744,874            |  |                    |
| 1993  | 873.376  | 768.067         | 11,020   | å                    | 250      |                      | 15,403,963   | 0,,                |
| 1994  | 825,013  | 780,757         | 35       | ñ                    | 230      | 1,605,805            | . ,  | 20,968,500         |
| 1995  | 742,681  | 725,287         | 10       | 0                    |          |                      | -,,  | 15,097,850         |
| "NIA" |  | Market 1990     |          | u<br>January aldalia | 0        | <u>1,467,978</u>     | manuscription de des des de la constitución de la c | 23,628,740         |

"NA" means that no data are available because "Total-Production Related Waste" was not reported until 1991.

[top]

### Take Action

- Send a FAX to the companies responsible for the top-ranked pollution problems in DANE County (free)
- Send an e-mail to the U.S. Environmental Protection Agency
- Network with environmental groups
- Learn how to prevent pollution
- Support the Scorecard
- Link to Scorecard

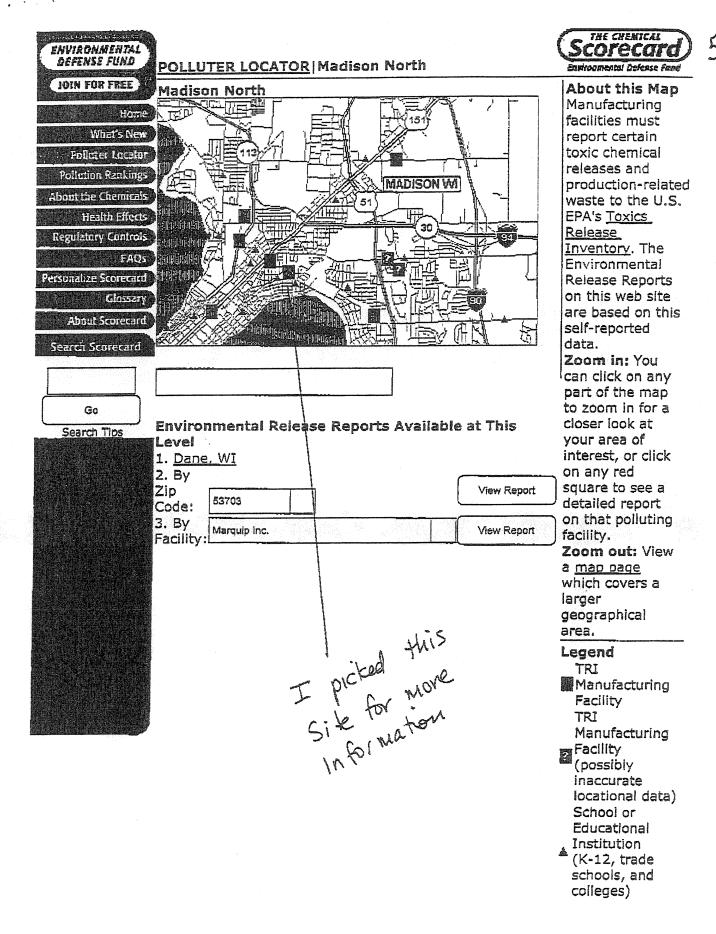
[top]

### · Links

See <u>EPA's Index of Watershed Indicators</u> for this area (evaluates the current condition and vulnerability of aquatic resources.)
[ top ]

© 1998 Environmental Defense Fund, New York, NY 10010
Bill Pease@edf.org

4



| Ps. 16 (167)                                     |  |   |                           |            |
|--|--|---|---------------------------|------------|
| ENVIRONMENTAL<br>DEFENSE FUND                    | POLLUTER LOCATOR Enviro  | nmental Release                                 | Scorecard)                | 6.         |
| JOIN FOR FREE                                    | Report   |   | Emiroomental Delense Food | <i>x</i> ′ |
|  | Environmental Rele   |   | DISON-KIPP                |            |
| What's New                                       |  | CORP.   |                           | )          |
| Polluter Locator                                 | • Map(s) Locating the  | -Manifacturina E                                | - III in a                |            |
| Polletion Rankings                               |  |   | /17                       |            |
| About the Chemicals                              | <ul> <li>1995 Rankings: Maj<br/>Generation at this F</li> </ul>            | <u>or Cnemicai Kelea:<br/>acility</u>           | ses or Waste              |            |
| Health Effects                                   | • 1995 TRI Pollution I   | <br>Releases Dankod h                           | v Dotontial               |            |
| Regulatory Controls                              | Human Health Risks   | A TOUR CO TO THE TOUR CO                        | y Potential               |            |
| FAQs   | • 1995 TRI Pollution F   | Releases Sorted by                              | Health Effect             |            |
| Personalize Scorecard  Glossary                  | • What We Don't Know   |   |                           |            |
| About Scorecard                                  |  | - V 100 0 0 0 0 0 10 10 10 10 10 10 10 10 1     | Select and Hallu          |            |
| Search Scorecard                                 | <ul> <li>TRI Data Summary</li> </ul>                                       |   |                           |            |
| DESIGN SOMECHIN                                  | <ul> <li>Take Action</li> </ul>  |   |                           |            |
|  | • Facility Information   |   |                           |            |
| Go   | • Links  |   | •                         |            |
| Search Tips                                      |  |   | THIS 1                    | STHE       |
| The second second                                | N.   |   | FACILITY OF               |            |
| - Man(a) Lagrin                                  |  |   | FACILITY OF               | F51        |
| • Map(s) Locatin                                 |  |   | IN ISI                    |            |
| <ul> <li>Madison Norti</li> <li>[top]</li> </ul> |  | N.  |                           |            |
|  |  | :   |                           |            |
| • 1995 Rankings:                                 | Major Chemical Releases or   | Waste Generation                                | at This Facility*         |            |
| In 1995, this faci                               | lity ranked in the top 20% of  | all facilities in the                           | US in terms of            |            |
| • noncancer haz                                  |  |   |                           |            |
|  |  |   |                           |            |
| *Note: These rank                                | ngs are based on chemical releases to the Taylor Belgan a                  | ses and transfers re                            | ported by                 |            |
| sources of pollution                             | ties to the <u>Toxics Release Inver</u><br>or toxic chemicals that are not | <u>itory</u> , and do not tak<br>covered by TRI | e into account major      |            |
| [ <u>too</u> ]                                   |  | 50 to 55 57 11G.                                |                           |            |
| • 1995 TRI Pallini                               | on Releases Danked L   |   |                           |            |
|  | on Releases Ranked by Poter<br>Top Ranked Cancer Risk: no                  | data available                                  | 1 Risks                   |            |
| [ <u>top</u> ]                                   | Top Ranked Noncancer Risk: CC  | OPPER .   |                           |            |
|  |  |   |                           |            |
| • 1995 TRI Pollution                             | on Releases Sorted by Health   | Effect*   |                           |            |
|  |  | Air Releases                                    | Water Releases            |            |
|  | <u>(Pou</u>  | nds from TRI<br>Sources)                        | (Pounds from TRI          |            |
|  |  |   | <u>Sources</u> )          |            |

Page 2 of 3

| Will the tribute that the order of the design of the section of th |  |
|--|--|
| בתפהברובת בשותוהאשפבתופו הי ביההה  | <u>2,200</u>   |
| <u>Toxicants</u>   | 2,200  |
| Suspected Developmental Toxicants  | 500  |
| The state of the s |  |
| Suspected Kidney Toxicants   | 1,700  |
| Suspected Gastrointestinal or Liver  |  |
|  | 2,200  |
| <u>Toxicants</u>   | <u> </u>   |
| Suspected Neurotoxicants   | 1,700  |
|  | CHICANUTATION CO.  |
| Suspected Reproductive Toxicants   | <u>500</u>   |
| Suspected Respiratory Toxicants  | 2,200  |
| Suspected Skin or Sense Organ  | Commission of the Commission o |
| Suspected Skill of Selles Oldgu  | 4 700  |
| Toxicants  | <u>1,700</u>   |
|  |  |

\*Note: Some chemicals are associated with more than one health effect, so their release may be counted multiple times in this table. Therefore, it is not appropriate to sum releases sorted by health effect. Total reported releases to air and water are provided in the data summary below.

[top]

[ top ]

What We Don't Know About Chemical Safety and Harm

Pounds of TRI releases without Percent of TRI releases without 1995 Releases

Release (Pounds from TRI Type Sources) <u>Air Releases</u> 2,200

information required for safety <u>assessment</u> 2,200

information required for safety **255essment** 

100%

• TRI Data Summary

Environmental Releases, Transfers, and Production-Related Waste (Pounds from TRI sources)

|      |                     | Fugitive |       |             |          | Total         | ·. Total  |   |
|------|---------------------|----------|-------|-------------|----------|---------------|-----------|---|
|      | Stack Air           | Air      | Water | Underground | Land     | Environmental |           | <u>Total</u><br><u>Production-Related</u> |
| Year | " <u>Releases l</u> | Releases |       |             | Releases |               |           |   |
| 1990 | 250                 | 250      |       | · ·         | <u> </u> |               | Transiers | Waste                                     |
| 1991 | 2                   | ب سے     |       | , u         | U        | 500           | 0         | NA  |
|      | 3                   | ٥        | C     | 0           | 0        | 10            | ٥         | 10  |
| 1992 | 0                   | Q        | C     | 0           | 250      | 250           | 20.518    | 242.450                                   |
| 1993 | 750                 | 250      | 0     | i           | 250      |               |           | 212,459                                   |
| 1994 | 1.773               |          |       |             | 220      | 1,250         | 42,700    | 393,245                                   |
|      |                     | Ų        | U     | 0           | 0        | 1,773         | 36,151    | 414,177                                   |
| 1995 | <u>1,950</u>        | 250      | 0     | 0           | ٥        | 2.200         |           |   |
| "NA" | meane tha           | + 50 45+ |       | ·           | 71=== 4  | 2.200         | 4,752     | <u>6,494</u>                              |

NA" means that no data are available because "Total-Production Related Waste" was not reported until 1991.

[top]

### Take Action

Send an e-mail to the U.S. Environmental Protection Agency

 Network with environmental groups Learn how to prevent pollution

Support the Scorecard

Link to Scorecard

[ got ]

### Facility Information

Facility Name: MADISON-KIPP CORP.

Facility Mailing Address: 201 WAUBESA ST., MADISON, WI 53704

Public Contact: H.F. BUD HAUSER Telephone: (608) 242-5290

[ 001 ]

I chose to - Send an e-mail selection

### Links

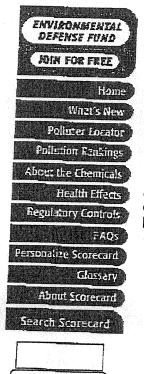
See the EPA Envirofacts Report for this facility, which provides environmental information from multiple EPA data sources on chemical permit compliance, hazardous waste handling processes, Superfund status, and permitted air and water emissions. [top]

Email to top US EPA officials

Page 1 of 1

THE CHEMICAL

CORECOR

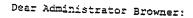


G٥ Search Tips

### POLLUTER LOCATOR Action Tools

Send email to top US EPA officials

Scorecard relies on the Toxic Release Inventory for local data on environmental releases of toxic chemicals, but the program has many limitations that need to be addressed. Show your support for community efforts to improve the right-to-know about toxic chemicals by sending an email to top US EPA officials. This is an example of the sort of email that you can send from our server. Remember that the service is free. However, you have to register as a Scorecard user in order to send email because otherwise we won't be able to sign your



I just reviewed a detailed, on-line description of toxic chemical emissions from MADISON-KIPP CORP. in MADISON, WI, as officially reported to you under the Toxics Release Inventory.

As a result, I strongly support your efforts to add more information to this key program in the public's right-to-know. Specifically, it should include information on chemical use (also known as materials accounting data), which would give me a better picture about how these chemicals are actually used and where they actually go, including into

The program should also include information on what scientists and government don't know about the chemicals being reported on (many of which haven't even had basic health screening tests done, or made publicly available, according to the on-line report I just reviewed).

I also notice that the Toxics Release Inventory data that I can get is at least two years old, and usually older than that. Right-to-know would mean more if public information on pollution was more up to date. EPA should speed up the disclosure process.

The facts already being disclosed to the public are creating a major © 1998 Environmental Defense Fund, New York, NY 10010

Bill Pease@edf.org incentive to reduce chemical emissions from the companies that must report to you. If they reported their chemical uses to you as well, they would have an incentive to practice pollution prevention much more effectively. And if they reported what was not known about the chemicals they emit, there would be an incentive to do the missing tests and make the results public.

Sincerely,

-- your name and address will appear here --

Herman Kahn Center

5395 Emerson Way

Indianapolis, IN 46226 (317) 545-1000

www.hudson.org

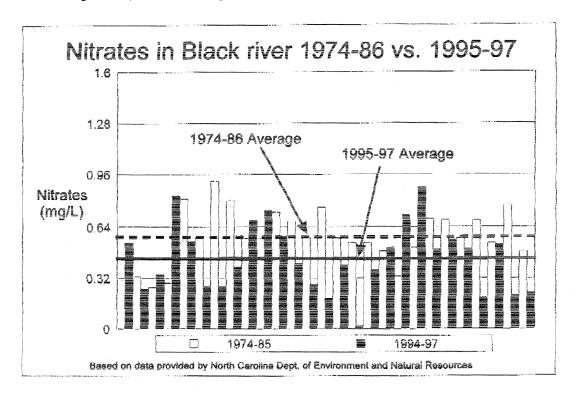
FOR IMMEDIATE RELEASE SEPTEMBER 15, 1998

FOR MORE INFORMATION CONTACT: ALEX AVERY, CENTER FOR GLOBAL FOOD ISSUES, (540) 337-6387

### **Hog Farms Don't Hurt Water Quality!**

Evidence from America's most intensive hog producing region indicate that large hog operations do not hurt water quality

Data collected by the North Carolina Department of Environment and Natural Resources indicate that the water quality in the Black river, the drainage basin for North Carolina's most intensive hog producing region, has remained excellent, despite a 500 percent increase in the area's hog population. In fact, the water quality of the rivers and streams in this region may even have improved slightly. (See graph)



Because of the large concentration of hog farms in the Black river basin, as well as its largely rural character, the Black river represents a unique opportunity to gauge the specific effects of hog farms on water quality. In contrast, other watersheds are impacted by the nutrient pollution from cities, towns, and industries which make it difficult to determine the effects of farm practices. (Sewage treatment only removes a portion of the nutrients from wastewater.)

The amount of hog manure applied to crop fields within the Black river watershed has increased dramatically over the last 15 years as the hog population increased by five hundred percent. This has lead to fears that nutrients from hog manure would runoff crop fields and pollute waterways. But these fears appear to be unfounded.

The data are clear – nutrient concentrations in the Black river have remained low and essentially unchanged. While it may be reasonably argued that the relatively small amount of water quality data (quarterly measurements for 1974, and 1981-86; monthly monitoring from 1992-98) preclude any precise conclusions, it is clear that the water quality of the Black has remained excellent over this time period.

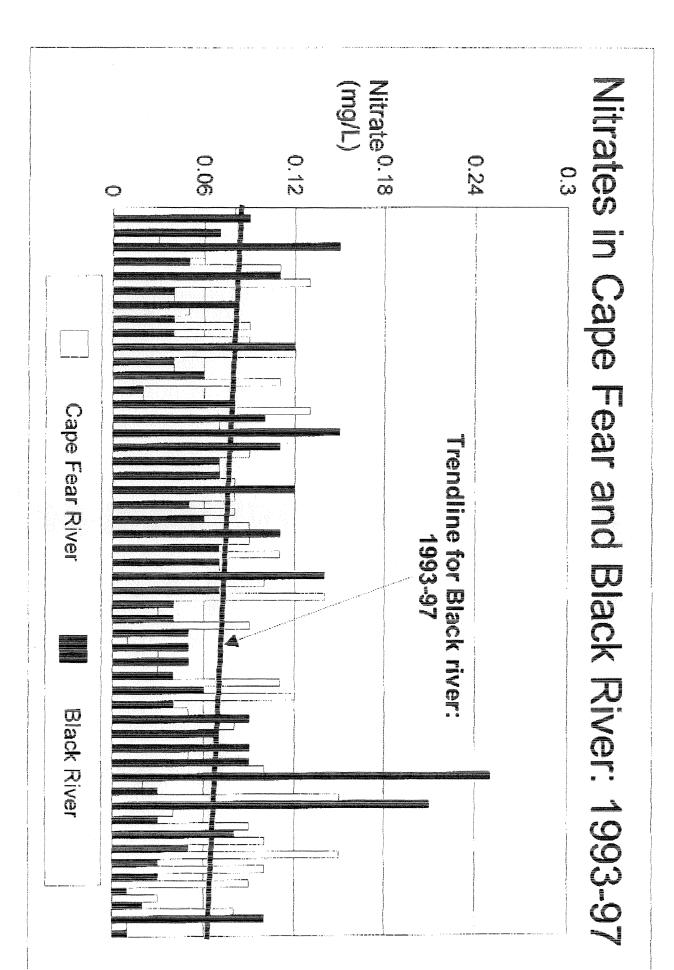
This indicates that the practice of spreading hog manure on crop fields is fully compatible with good water quality. This should come as no surprise, since confinement hog farms collect and use their hog manure as organic fertilizer on crop fields. This is clearly better for water quality than the traditional method of raising hogs outdoors, where the hog wastes may be washed directly into waterways.

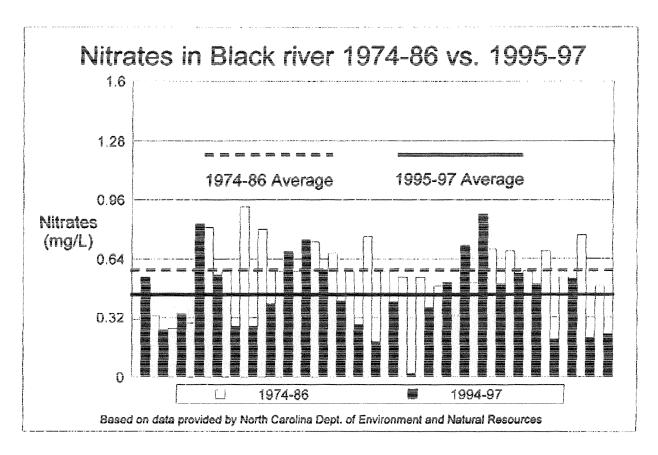
Considering the contentious debate surrounding the impact of intensive hog farms on the environment in North Carolina, the North Carolina Department of Environment and Natural Resources should make all water quality data available directly to the public and policy makers. This way, the policy debate can respectfully proceed from a common and factual basis, not the poison of endless contention.

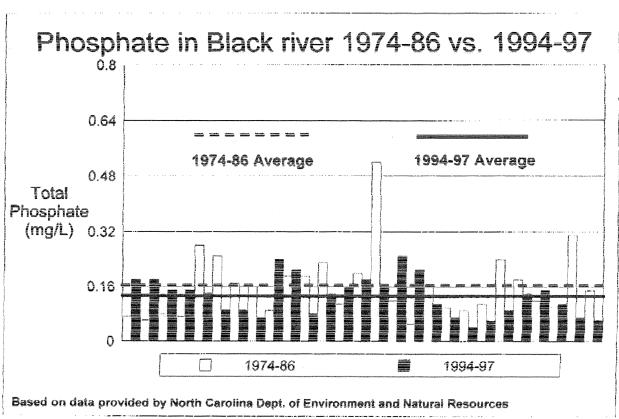
For further information call:

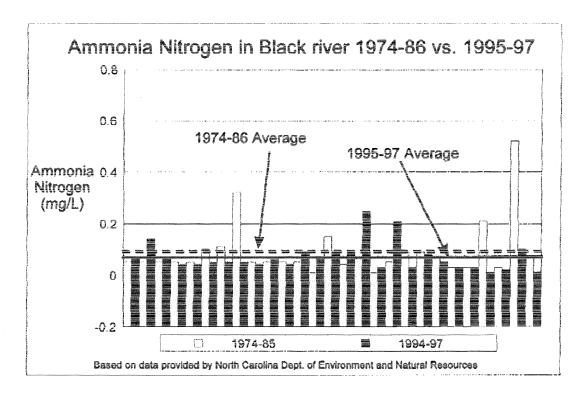
Alex Avery Center for Global Food Issues Hudson Institute (540) 337-6354 or 6387 fax: (540) 337-8593 email: cgfi@rica.net

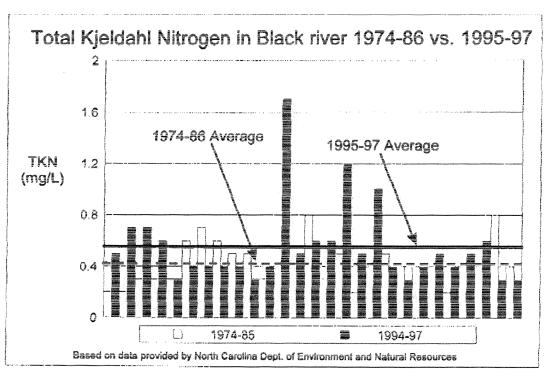












540/337-6354



### A project of Hudson Institute

### Hudson Institute Indianapolis - Washington - Montreal - Brussels Center for Global Food Issues

Alex A. Avery Director of Research & Education Dennis Avery Director

3/

Alex Avery Research Director

P.O. Box 202 Churchville, VA 24421 FX: 540/337-8593 Dave Juday Adjunct Fellow

> Richard Halpern, Ph.D. Adjunct Fellow

| TO: Representative Al Ott       |
|---------------------------------|
| FROM: Coloro for Color Avery    |
| FAX NUMBER: 920-989-1240        |
| DATE: 1/29/99                   |
| NO. OF PAGES INCLUDING COVER:\\ |
| RE:                             |

**COMMENTS:** 

P.O. Box 202 Churchville, VA 24421 540-337-6354 ♦ 800-876-8011 ♦ FAX 540-337-8593 ♦ www.hudson.org/cgfi ♦ cgfi@rica.net AAAA DES MOINES SUNDAY REGISTER 🔳 DECEMBER 7, 1997

Even if only ground beef was irradiated, "it would save lots of lives."

Donald Theyer, U.S. Department of Agriculture scientist

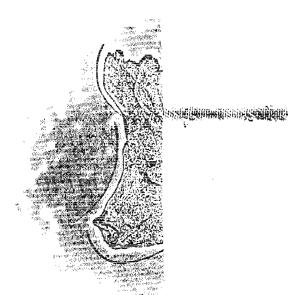
RICHARD DOAK, EDITOR OF THE EDITORIAL PAGES, 515-284-8201



Des Moines Sunday Register

# Big hog farms help the environment





April 3, 1998



THE BridgeNews FORUM: Viewpoints on farming, farm policy and related agricultural issues.

## Ranger Rick And The Giant Hog Farm

The US Clean Water Act Is Up For Renewal, Unleashing A Propaganda Campaign Against "Nutrients"

### By Dennis T. Avery of the Hudson Institute

CHURCHVILLE, Va.—In his April adventure, the National Wildlife Federation's popular cartoon character, Ranger Rick Raccoon, finds a bad-smelling river and traces the pollution back to a big hog farm with a broken waste pipe.

Ranger Rick warns his young readers, "When your parents were kids, a farm might have had a few hundred hogs. But now, a single 'factory farm' may have more than 15,000 hogs... All that waste can cause major problems..."

Rick advises his young readers, "Ask questions at meat stores where your family shops. Is the meat grown on factory farms? Maybe a store near you sells meat grown on local, nonfactory farms."

RANGER RICK has confused his creator's dislike of big hog farms with protecting the environment—and thus is betraying the future of the world's forests.

Traditional small farms have been allowing livestock wastes to drain into our streems and rivers for centuries. (I grew up next to a herd of wallowing, rooting hogs in Michigan. Fortunately, they were downstream.)

The bigger problem is that the world now has far more people with the high incomes to afford meat.

Globally, meat consumption is rising by 5 million tons per year. Eventually, the world will expand from its current 1 billion hogs to about 3 billion and from the current 13 billion chickens to perhaps 50 billion.

IF WE RAISE them outdoors, in traditional small herds and flocks, we'd have to convert millions of square miles from wildlands to pasture. That land would have to be taken from Rick's forest and all the other forests in the world.

At four hogs per acre, we'd need half the land area of Brazil (1.5 million square miles) just for the extra hogs! And all the urine and manure would wash into the rivers.

Modern farming is far different. The manure from big confinement hog and poultry houses is an environmental bonus, not a problem.

The animal wastes are carefully saved in lagoons, tanks or dry storage and spread on growing crops. (Organic farmers have been telling Americans for decades that these wastes make the finest, safest fertilizer of all.)

THE ALTERNATIVE is to send the nutrients from manure down our rivers, as we do with urban sewage.

That's right, Ranger Rick, the nitrogen and phosphorus from our cities and septic tanks mostly goes right into your streams.

If we're overfertilizing our waters (and nobody has any data showing that we are), it is far more likely to be from urban sewage than "factory" farms.

The biggest surge in "factory" hog farming has occurred in North Carolina, so a recent survey of the state's hog farms by North Carolina State University makes for interesting reading.

The survey found that 5 percent of hog farms were not living up to good management standards—but almost all of the problems were found on small, traditional hog farms!

RANGER RICK'S human friends at the National Wildlife Federation share his confusion about big modern farms.

The April-May issue of the group's Wildlife magazine has an article titled, "Are Our Coastal Waters Turning Deadly?"

The article suggests that alga blooms and toxic Pfiesteria are both related to big hog and poultry farms, while reluctantly admitting "runoff has not been definitively proven guilty in the case of Pfiesteria."

The article describes flying over big hog farms "that generate huge amounts of sewage waste" and hog lagoons "within a football field's length of wetlands choked with algae."

However, test wells around the big hog

farms show no leakage. (If they did, the farms would be shut down.)

THE PRISTINE Black River is rated one of North Carolina's Outstanding Resource Waters—and it is right in the middle of the country's biggest concentration of "factory" hog farms!

"Factory" farms are mostly, and increasingly, under "zero discharge" regimes. They aren't allowed to let wastes run off. And they can't let any of the nutrients they spread on crop fields leach into ground water.

If a real "factory" hog farm let wastes flow into Ranger Rick's river, one phone call would shut it down.

WHY THE CAMPAIGN against confinement meat production that actually helps the environment? Part is public nostalgia for the little family farm of 1900.

More important, however, the Clean Water Act is up for renewal, and activists have chosen nutrient runoff from farms as the "crisis" to move the legislation.

Nutrients aren't currently "pollutants" under the act, though perhaps they should be. But keep in mind that the world in the 21st century will need lots more hogs and poultry to meet global demand, and more fertilizer to grow three times as many crops.

AMERICA has one-third of the world's prime cropland and a relatively low population density

L'avironmentally, we should produce a substantial proportion of tomorrow's hogs and chickens, since the alternative is to clear tropical forests in densely populated Asia.

We need some careful data on exactly where we have overfertilized waters. And whether the offending nutrients come from cities or farms.

It might help the environment more if America cleaned up the nutrients in its urban sewage before we shut down the world's most productive agriculture and watch Asia's tropical forests be destroyed for meat production.

DENNIS T. AVERY is based in Churchville, Va., and is director of global food issues for the Hudson Institute of Indianapolis. His views are not necessarily those of Bridge News.

OPINION ARTICLES and letters to the editor are welcome. Send submissions to Sally Heinemann, editorial director, Bridge News, 3 World Financial Center, 200 Vescy St., 28th Floor, New York, N.Y. 10281-1009. You may also call (212) 372-7510, fax (212) 372-2707 or send email to opinion@bridge.com

Mily or West of Opponents://claim big hog farms are bad for the environment. They're incredibly wrong. Anti-hog forces also claim integrated hog farming is bad for Midwest communities. They're

wrong about that, too

Modern confinement hog-raising helps the environment, and helps America's rural communities.

With the Third World's rising incomes, the world's demand for pork is soaring. And, despite fervent hopes among environmentalists, there's no vegetarian trend in sight. Asia has already increased its pork consumption by 18 million tons in the 1990s, and its pork imports by 30 percent

The world currently has a stock of about 900 million hogs. By 2050, there are likely to be 2.5 billion hogs living somewhere. For the sake of the environment, we'd better hope those hogs are raised in big, efficient

confinement systems.

(The United States still has the same 58 million hogs it has had for 30 years. However, we're producing 50 percent more meat per hog, partly because the hogs are becoming healthier and happier as more of them move indoors.)

Confinement bog production helps the environment in five major

ways.

Confinement hog farms take less I land from nature. Free-range hogs take huge amounts of land several acres per adult. The more recent A-frame/pasture production systems need an acre for every four hogs, or about 14 million acres of land in total for the current U.S. hog herd. That's equal to all the cropland in Indiana - or 280 times the land area of Des Moines!

Why should we convert millions of acres of wildlands around the world into hog pasture rather than move

the hogs indoors?

2 Big confinement hog farms pro-tect our water quality. Outdoor hog farms let every rainstorm wash hog urine and manure into the nearest stream.

Confinement houses put zero discharge into the streams and rivers. The confinement systems gather the waste in hig lagoons or tanks, and

Zilien apply it to growing crops; thus, tising the plant hutrients from the log wastes - to produce more food. (Organic activists tell us we should grow food with manute.)

It is not very difficult to build hog lagoons that don't leak, and earth dams that won't break. State and local inspectors can check them twice a year, with the cost built into the li-censing fee. The above ground, glass-lined tanks used on many of the new operations have no leakage

In fact, big hog farms are protecting the quality of our streams much more effectively than are the cities. "Modern" sewage treatment leaves much of the nitrogen from human wastes in the sewage plant's effluent. A city of 50,000 people puts enough nitrogen into the water equal to 3 million gallons of hog lagoon effluent — and the lagoons aren't emptied into the streams.

Confinement hogs produce a lot J less soil erosion than free-range hogs, and considerably less erosion than A-frame hogs. Hogs in a field root for food: it's their nature. Large hogs running loose create terrifying amounts of soil erosion. Also in their nature, they find wet spots and wallow because they can't sweat. Thus, both pasture and nearby streams are damaged.

Confinement hogs take up to 30 percent less feed because they don't get too cold or too hot. The other side of this coin is that it takes 30 percent less cropland to support a confinement hog than an outdoor

Confinement hogs suffer lower 5 death losses. Apart from the obvious question of the needless suffering of the hogs, 10 percent of the crop is lost when 10 percent more of the outdoor pigs die than confinement hogs

This means that the whole system has to raise 10 percent more pigs to meet the pork demand; and that means 10 percent more land used to

support the hog inventory.

By 2050, outdoor hog production would likely cost the world an extra I million square miles of land taken from wildlands — or the land area of Argentina.

lowa's hog population is declining because the little producers are leaving faster than the big farms are moving in. I'm not surprised. I left a small family dairy farm because twice a day milking for 30 cows

meant terrible working hours and little income, even in the 1950s.

The little hog farmers are exiting a business that doesn't give them a good living.

They can't produce more pork with their existing resources, and pork prices can't go up because of competition from poultry, aquaculture and other hog-exporting countries.

The same forces have aircady spread the modern integrated poultry system worldwide. The modern systems win — in both poultry and hogs - because of smaller land requirements, lower death rates and better feed conversion ratios

In the Shenandoah Valley, I'm surpoultry rounded by "integrated" houses that permit families to live in a rural area that otherwise could not support them. A small farm and two poultry houses seem to produce a good rural lifestyle, even where the cropland is poor. (Or one off-farm job and poultry.)

If we have unwrapped the bighog-farm issue from the swirling flags of environmentalism and the salvation of the small family farm, we are still left with a very real - if selfish — issue: the pungent smell of hog manure.

I know how pungent the smell is;



I my neighbor has hogs. Apparently it does no good to tell new exurbanites that if there were no hog and poultry operations, they'd be surrounded by houses - complete with traffic jams and higher school taxes that they is chose to leave behind when "moving ic to the country."

There's no question that the hog industry is going to have to deal with its odor problem, and odor perception. The hog industry has itself to blame for not pressuring its mem-bers more heavily on this odor

question.

Obviously, the neighbors are going to endure far less odor if the hog manure is produced inside a building, and then scraped promptly into a well-managed basin or tank, than if the hogs are applying their manure to a crowded pasture. It doesn't cost that much more to have plenty of capacity per hog to keep down odors.

The new glass-lined tanks are small enough for a "bio-cover" of chopped wheat straw that virtually

eliminates odor.

The Company of the Co

The other big element of suppressing odors is in spreading the effluent. The big new tank spreaders put the effluent into the ground. The Houle spreader scratches the liquid about 5 inches into the ground, and

then has disc blades that scrape dirt back over it. An hour after the spreading, the strongest odor in the field is fresh earth. It costs \$25,000, so little farmers won't have it.

The alternative to big hog farms in lowa isn't more butle 1940-style farms raising a few A-frame hogs apiece. Big confinement farms save so many pigs, and make so much better use of feed and manure that the alternative is another big, modern hog production facility in West

Texas - or Thailand.

The economics of modern hog farming favor areas like lowa, where the hog effluent can be spread on cropland. North Carolina and Missouri put lots of their hog effluent on grass, which is less valuable. That's why an lowa corn farmer can project an 18 percent annual return on a confinement-housing investment with the hog manure, and only 12 percent without it.

Iowa has only 53 people per square mile, compared with other hog exporters like Taiwan (1,200 per square mile) and Denmark (300).

lowa has a comparative advantage in liogs over almost anyplace else in the world. Does lowa want to use it - or let its rural population drop to one family of crop farmers per 1,000 acres?

The University of Missouri calculated that an additional 80,000 wellmanaged sows per year provided the state with 2,700 permanent jobs, and another \$200 million in personal income.

Des Moines probably doesn't want to give up its skywalks and go back to freezing on the city's open sidewalks in the winter winds. It might benefit the state to be equally realistic about the changes in agriculture.

If we were still getting the productivity of the sacred small family farm of my youth, today's world would already have sacrificed wildlands equal to the total land area of the United States, Europe and Brazil.

Farming cannot be a museum if it is to meet the food challenge of the 21st century - feeding a peak world population of 8.5 billion affluent people on no more land than we farm today.

Confinement hogs will play a key role in meeting that challenge.

DENNIS T. AVERY is director of global food issues for the Hudson Institute of Indianapolis. He was formerly the senior agricultural analyst for the U.S. Department of

National Agricultural Statistics Service, USDA WI Department of Agriculture, Trade & Consumer Protection

GHLIGHTS

99

Prepared for Wisconsin's Board of Agriculture, Trade and Consumer Protection

# **Coming Soon - Results of Census of Agriculture**

The 1997 Census of Agriculture, the first census conducted by the U.S. Department of Agriculture, will soon be released. National, state and county highlights will be available February 1,1999 on the Internet at http://www.usda.gov/nass. More detailed census reports will be available in late March.

### Corn and Soybeans

Wisconsin farmers planted 3.70 million acres to corn in 1998, down 150,000 acres from a year earlier. The state's 2.95 million acres harvested for grain, down 3 percent from 1997, produced 404 million bushels, virtually unchanged from the prior year. The average corn yield for 1998 was the second highest on record at 137 bushels per acre. This yield was up 5 bushels from 1997, and 26 bushels over the 10-year average of 111.

Soybean production, yield, and harvested acres broke state records. Wisconsin's soybean production was 51.7 million bushels for 1998, up 18 percent from 1997. The average yield of 47 bushels per acre was 3 bushels above the 1997 record. Harvested acres were 1.10 million acres, compared to 1.00 million acres harvested in 1997.

### Potatoes

Growers harvested 30.9 million hundredweight (cwt.) of potatoes in 1998, a 2 percent increase from last year. Harvested acreage decreased 1,500 acres to 83,500 acres. The final yield for potatoes was 370 cwt. per acre up 15 cwt. per acre from last year.

### Hog Inventory

Wisconsin's hog and pig inventory continued its slide to another record low on December 1, 1998. The stage is set for even lower inventories in upcoming quarters as the entire hog reduction from last quarter occurred in the breeding herd. The all hog and pig inventory, at 690,000 head, dropped 50,000 head from a year earlier and 10,000 head from last quarter. Hogs for market were 605,000 head, down 30,000 from last year and the same as last quarter. Breeding hogs were 85,000 head, down 20,000 from a year earlier and 10,000 from last quarter.

Wisconsin's September-November quarter pig crop totaled 322,000 head, 35,000 below last year and 29,000 under the June-August quarter. Pigs per litter, at 8.25, were down compared to 8.30 last year. Producers intend to have 34,000 sows farrow during December 1998-February 1999, down 8,000 from a year earlier. March-May 1999 intentions, at 32,000 sows, are 11,000 head below a year earlier.

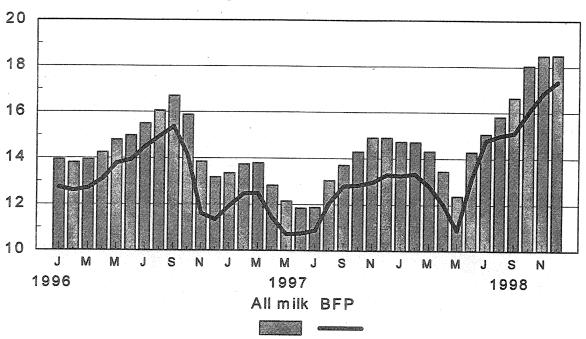
U.S. inventory of all hogs and pigs was 62.2 million head, on December 1, 1998, up 2 percent from last year. Market hog inventory, at 55.5 million head, was 2 percent above last year. Breeding inventory, at 6.67 million head, was down 4 percent from a year ago.

### Upcoming Releases

- Jan. 28 Vegetables-Annual
  - 29 Cattle; Chickens & Eggs; Sheep & Goats; Agricultural Prices
- Feb. 5 Basic Formula Price; Dairy Products
  - 12 Crops Values; Potato Stocks
  - 16 Milk Production

### WISCONSIN MILK PRICES

Dollars per hundredweight



WISCONSIN MILK PRICES

|           |       | All Milk |         | Bas      | ic Formula | Price |
|-----------|-------|----------|---------|----------|------------|-------|
| Month     | 1996  | 1997     | 1998    | 1996     | 1997       | 1998  |
|           |       |          | Dollars | per cwt. |            |       |
| January   | 13.94 | 13.35    | 14.73   | 12.73    | 11.94      | 13.25 |
| February  | 13.80 | 13.74    | 14.71   | 12.59    | 12.46      | 13.32 |
| March     | 13.94 | 13.79    | 14.32   | 12.70    | 12.49      | 12.81 |
| April     | 14.24 | 12.83    | 13.45   | 13.09    | 11.44      | 12.01 |
| May       | 14.79 | 12.15    | 12.38   | 13.77    | 10.70      | 10.88 |
| June      | 14.98 | 11.85    | 14.29   | 13.92    | 10.74      | 13.10 |
| July      | 15.50 | 11.88    | 15.07   | 14.49    | 10.86      | 14.77 |
| August    | 16.06 | 13.05    | 15.83   | 14.94    | 12.07      | 14.99 |
| September | 16.70 | 13.71    | 16.64   | 15.37    | 12.79      | 15.10 |
| October   | 15.89 | 14.30    | 18.05   | 14.13    | 12.83      | 16.04 |
| November  | 13.85 | 14.90    | 18.49   | 11.61    | 12.96      | 16.84 |
| December  | 13.18 | 14.90    | 18.50   | 11.34    | 13.29      | 17.34 |

Source: Wisconsin Agricultural Statistics Service.

**Dairy Products** 

| Item and area      | November<br>1997 | October<br>1998 | November<br>1998 | Change<br>from<br>last year |  |
|--------------------|------------------|-----------------|------------------|-----------------------------|--|
|                    | 1                | 1,000 pounds    |                  |                             |  |
| •                  | 37T              |                 |                  |                             |  |
| CHEESE             |                  |                 |                  |                             |  |
| American           | 248,540          | 254,550         | 267,642          | +8                          |  |
| Brick and Muenster | 8,347            | 9,104           | 8,523            | +2                          |  |
| Mozzarella         | 181,941          | 199,378         | 203,543          | +12                         |  |
| Other Italian      | 57,629           | 55,312          | 55,508           | -4                          |  |
| Swiss              | 15,904           | 17,148          | 16,491           | +4                          |  |
| All other types    | 82,162           |                 |                  | -2                          |  |
| All cheese         | 594,523          | 621,199         | 632,400          | +6                          |  |
| BUTTER             | 89,131           | 83,214          | 87,277           | -2                          |  |
|                    | S                | elected sta     | ites             |                             |  |
| CHEESE, AMERICAN   |                  |                 |                  |                             |  |
| California         | 38,975           | 32,763          | 41,335           | +6                          |  |
| Minnesota          | 37,716           | 41,217          | 44,205           | +17                         |  |
| Wisconsin          | 70,792           | 75,780          | 76,100           | +8                          |  |
| CHEESE. MOZZARELLA |                  |                 |                  |                             |  |
| California         | 45,450           | 51,185          | 49,494           | +9                          |  |
| Pennsylvania       | 15.281           |                 | •                | -4                          |  |
| Wisconsin          | 54,203           | 54,300          | 52,300           | -4                          |  |
| BUTTER             |                  |                 |                  |                             |  |
| California         | 23,806           | 20,570          | 18,808           | -21                         |  |
| Washington         | 5,565            | 5,979           | 5,134            | -8                          |  |
| Wisconsin          | 27,459           | 22,000          | 26,700           | -3                          |  |

Source: Wisconsin Agricultural Statistics Service.

**Cold Storage Stocks, United States** 

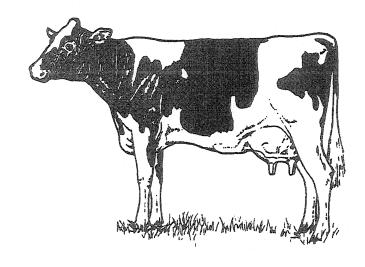
| Commodity     | Nov. 30,<br>1997 | Oct. 31,<br>1998 | Nov. 30,<br>1998 | Change from last year |
|---------------|------------------|------------------|------------------|-----------------------|
|               | -                | Percent          |                  |                       |
| CHEESE        |                  |                  |                  |                       |
| American      | 405,484          | 394,692          | 387,073          | -5                    |
| Govt. owned   | 149              | 216              | 26               | -83                   |
| Swiss         | 13,450           | 12,362           | 11,969           | -11                   |
| Other natural | 55,445           | 115,658          | 92,573           | +67                   |
| Total         | 474,379          | 522,712          | 491,615          | +4                    |
| BUTTER        | 15,365           | 31,164           | 28,607           | +86                   |
| Govt. owned   | 364              | 8                | 8                | -98                   |
| FROZEN        |                  |                  |                  |                       |
| Beef          | 378,160          | 358,231          | 329,010          | -13                   |
| Pork          | 344,100          | 411,885          | 440,877          | +32                   |
| Chicken       | 609,900          | 601,882          | 644,132          | +6                    |
| Turkey        | 438,556          | 661,156          | 297,751          | -32                   |

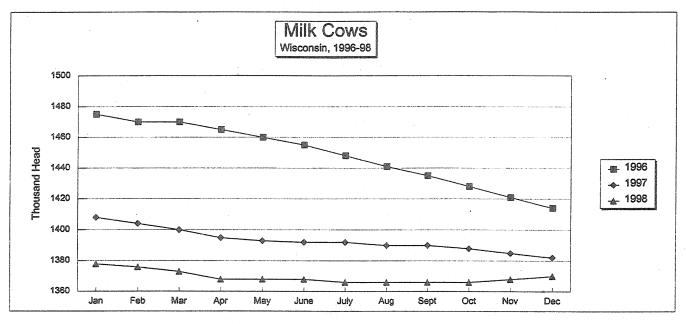
Source: Wisconsin Agricultural Statistics Service.

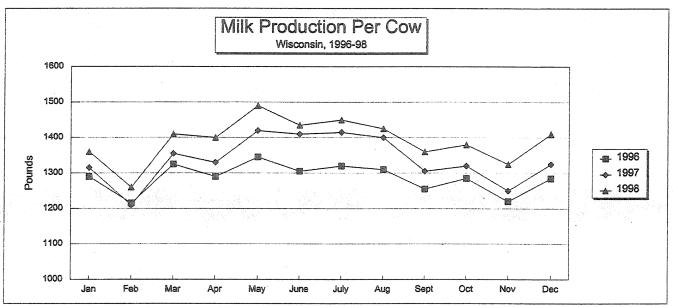
### **MILK PRODUCTION**

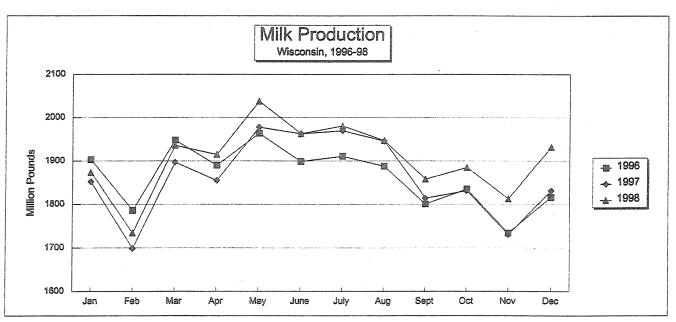
| Year<br>and<br>month |   | WISC               | ONSIN         |                            | UNITED STATES  |                    |               |                      |  |  |
|----------------------|---|--------------------|---------------|----------------------------|--|--------------------|---------------|----------------------|--|--|
|                      | Cow<br>numbers                          | Production per cow | Total<br>milk | Change<br>from<br>year ago | Cow<br>numbers   | Production per cow | Total<br>milk | Change from year ago |  |  |
|                      | Thousand                                | Pounds             | Mil. Lbs.     | Perce3nt                   | Thousand   | Pounds             | Mil. Lbs      | Percent              |  |  |
| ANNUAL               |   |                    |               | •                          | TO THE PROPERTY AND THE | <b>s</b>           | ı             | <b>.</b>             |  |  |
| 1994                 | 1,494                                   | 15,001             | 22,412        | -2                         | 9,500  | 16,175             | 153,664       | +2                   |  |  |
| 1995                 | 1,490                                   | 15,397             | 22,942        | +2                         | 9,458  | 16,433             | 155,425       | +1                   |  |  |
| 1996                 | 1,449                                   | 15,442             | 22,376        | -2                         | 9,361  | 16,479             | 154,259       | <del>-</del> 4       |  |  |
| 1997                 | 1,393                                   | 16,057             | 22,368        | n.c.                       | 9,258  | 16,915             | 156,602       | +2                   |  |  |
|                      | 50.000.000.000.000.000.000.000.000.000. |                    |               |                            |  |                    |               |                      |  |  |
| 1998                 |   |                    |               |                            | 20 MONTHLY STATES  |                    |               |                      |  |  |
| Jan.                 | 1,378                                   | 1,360              | 1,874         | +1                         | 7,730  | 1,464              | 11,316        | +1                   |  |  |
| eb.                  | 1,376                                   | 1,260              | 1,734         | +2                         | 7,726  | 1,351              | 10,434        | +1                   |  |  |
| Mar.                 | 1,373                                   | 1,410              | 1,936         | +2                         | 7,725  | 1,517              | 11,722        | +1                   |  |  |
| Apr.                 | 1,368                                   | 1,400              | 1,915         | +3                         | 7,735  | 1,499              | 11,591        | +1                   |  |  |
| Мау                  | 1,368                                   | 1,490              | 2,038         | +3                         | 7,750  | 1,557              | 12,067        | +2                   |  |  |
| June                 | 1,368                                   | 1,435              | 1,963         | n.c.                       | 7,753  | 1,476              | 11,446        | n.c.                 |  |  |
| luly                 | 1,366                                   | 1,450              | 1,981         | +1                         | 7,750  | 1,464              | 11,345        | -1                   |  |  |
| ∖ug.                 | 1,366                                   | 1,425              | 1,947         | n.c.                       | 7,753  | 1,439              | 11,160        | -1                   |  |  |
| Sept.                | 1,366                                   | 1,360              | 1,858         | +2                         | 7,749  | 1,382              | 10,706        | n.c.                 |  |  |
| Oct.                 | 1,366                                   | 1,380              | 1,885         | +3                         | 7,746  | 1,441              | 11,164        | +2                   |  |  |
| lov.                 | 1,368                                   | 1,325              | 1,813         | +5                         | 7,745  | 1,405              | 10,881        | +3                   |  |  |
| ec.                  | 1,370                                   | 1,410              | 1,932         | +6                         | 7,744  | 1,478              | 11,448        | +3                   |  |  |

Source: Wisconsin Agricultural Statistics Service.







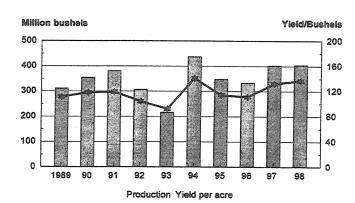


### CROP SUMMARY, 1996-98

| Стор                |         | Harvested acres (thousands) |         | Unit | water and the same | Yield per acre |           | Production (thousands) |           |               | Pro-<br>duction  |
|---------------------|---------|-----------------------------|---------|------|--|----------------|-----------|------------------------|-----------|---------------|------------------|
|                     | 1996    | 1997                        | 1998    |      | 1996   | 1997           | 1998      | 1996                   | 1997      | .1998         | % chang<br>98/97 |
|                     |         |                             |         |      |  | WIS            | CONSIN    |                        | -         |               |                  |
| Corn for grain      | 3,000   | 3,050                       | 2,950   | Bu.  | 111.0  | 132.0          | 137.0     | 333,000                | 402,600   | 404,150       | n.c.             |
| Corn for silage     | 865     | 770                         | 730     | Ton  | 13.0   | 15.0           | 14.5      | 11,245                 | 11,550    | 10,585        | -8               |
| Soybeans for beans  | 870     | 1,000                       | 1,100   | Bu.  | 37.0   | 44.0           | 47.0      | 32,190                 | 44,000    | 51,700        | +17              |
| Hay (all)           | 2,500   | 2,370                       | 2,400   | Ton  | 2.42   | 2.68           | 2.65      | 6,050                  | 6,353     | 6,370         | n.c.             |
| Alfalfa             | 2,100   | 1,900                       | 1,900   | Ton  | 2.50   | 2.75           | 2.80      | 5,250                  | 5,225     | 5,320         | +2               |
| All other           | 400     | 470                         | 500     | Ton  | 2.00   | 2.40           | 2.10      | 800                    | 1,128     | 1,050         | -7               |
| Oats                | 300     | 320                         | 300     | Bu.  | 58.0   | 63.0           | 61.0      | 17,400                 | 20,160    | 18,300        | -9               |
| Winter wheat        | 130     | 145                         | 135     | Bu.  | 43.0   | 57.0           | 55.0      | 5,590                  | 8,265     | 7,425         | -10              |
| Spring wheat 1/     | 10      | 7                           | 7       | Bu.  | 35.0   | 38.0           | 30.0      | 350                    | 266       | 210           | -21              |
| Barley              | 75      | 65                          | 65      | Bu.  | 53.0   | 55.0           | 52.0      | 3,975                  | 3,575     | 3,380         | -21<br>-5        |
| Rye                 | 12      | 12                          | 12      | Bu.  | 32.0   | 36.0           | 30.0      | 384                    | 432       | 3,360         | -17              |
| Tobacco (all)       | 2.9     | 2.6                         | 2.1     | Lb.  | 1.799  | 2,231          | 2.014     | 5,162                  | 5.690     | 4,230         | 26               |
| Type 54             | 1.9     | 1.8                         | 1.5     | Lb.  | 1,900  | 2,330          | 2,100     | 3,610                  | 4,194     | 3,150         | -26              |
| Type 55             | 1.0     | 0.8                         | 0.6     | Lb.  | 1,600  | 1,995          | 1,800     | 1,552                  | 1,496     |               | -25              |
| Potatoes (fall)     | 85.0    | 85.0                        | 83.5    | Cwt. | 390  | 355            | 370       | 33,150                 | 30,175    | 1,080         | -28              |
| Dry edible beans 2/ | 9.0     | 9.5                         | 7.2     | Cwt. | 18.00  | 18.00          | 16.00     | 162                    | 171       | 30,895<br>115 | +2<br>22         |
| Mint for oil (all)  | 11.6    | 12.4                        | 13.3    | Lb.  | 39   | 40             | 48        | 452                    | 499       | 639           | -33<br>+28       |
| Peppermint          | 7.0     | 7.6                         | 8.0     | Lb.  | 37   | 41             | 50        | 259                    | 312       | 400           | +28              |
| Spearmint           | 4.6     | 4.8                         | 5.3     | Lb.  | 42   | 39             | 45        | 193                    | 187       | 239           | +28              |
| Maple syrup         |         | _                           |         | Gal. |  |                |           | 110                    | 87        | 70            | -20              |
|                     |         |                             |         |      |  | UNI            | TED STATE | ≅S                     |           |               |                  |
| Corn for grain      | 72,644  | 72,671                      | 72,604  | Bu.  | 127.1  | 126.7          | 134.4     | 9,232,557              | 9,206,832 | 9,761,085     | +6               |
| Corn for silage     | 5,607   | 6,054                       | 5,919   | Ton  | 15.4   | 16.1           | 16.0      | 86,581                 | 97,192    | 94,525        | -3               |
| Soybeans for beans  | 63,349  | 69,110                      | 70,811  | Bu.  | 37.6   | 38.9           | 38.9      | 2,380,274              | 2,688,750 | 2,756,794     | +3               |
| Hay (all)           | 61,169  | 61,084                      | 60,016  | Ton  | 2.45   | 2.50           | 2.52      | 149,779                | 152,536   | 151,338       | - 1              |
| Alfalfa             | 24,206  | 23,551                      | 23,642  | Ton  | 3.27   | 3.33           | 3.47      | 79,139                 | 78,535    | 82,010        | +4               |
| All other           | 36,963  | 37,533                      | 36,374  | Ton  | 1.91   | 1.97           | 1.91      | 70,640                 | 74,001    | 69,328        | -6               |
| Oats                | 2,655   | 2,813                       | 2,765   | Bu.  | 57.7   | 59.5           | 60.4      | 153,245                | 167,246   | 167,122       | n.c.             |
| Winter wheat        | 39,574  | 41,340                      | 40,126  | Bu.  | 37.1   | 44.6           | 46.9      | 1,469,618              | 1,845,528 | 1,880,605     | +2               |
| Spring wheat 1/     | 19,689  | 18,323                      | 15,148  | Bu.  | 35.1   | 29.9           | 34.9      | 691,680                | 548,155   | 528,709       | -4               |
| Barley              | 6,707   | 6,198                       | 5,867   | Bu.  | 58.5   | 58.1           | 60.1      | 392,433                | 359,878   | 352,445       | -2               |
| Rye                 | 345     | 316                         | 418     | Bu.  | 25.9   | 25.7           | 28.2      | 8,936                  | 8,132     | 11,795        | +45              |
| Tobacco (all)       | 733.1   | 836.2                       | 726.9   | Lb.  | 2,072  | 2,137          | 2,104     | 1.518,704              | 1.787.399 | 1.529.647     | -14              |
| Potatoes (fall)     | 1,248.2 | 1,185.1                     | 1,220.0 | Cwt. | 364  | 357            | 356       | 454,388                | 423,190   | 434,368       | +3               |
| Dry edible beans 2/ | 1,750.7 | 1,758.8                     | 1,913.9 | Cwt. | 15.94  | 16.70          | 16.11     | 27,912                 | 29,370    | 30,828        | +5               |
| Mint for oil (all)  | 155.1   | 161.1                       | 151.4   | Lb.  | 75   | 77             | 84        | 11,613                 | 12,412    | 12,714        | +2               |
| Maple syrup         | <b></b> |                             | -       | Gal. | ******   |                |           | 1,567                  | 1,298     | 1,159         | -11              |

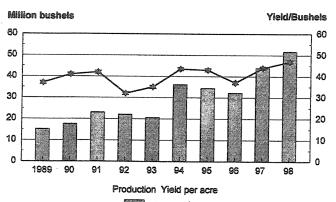
1/Spring wheat other than durum. 2/Yields in pounds. Excludes beans grown for garden seed. 3/Bearing acreage. Source: Wisconsin Agricultural Statistices Service.

### Wisconsin Corn for Grain



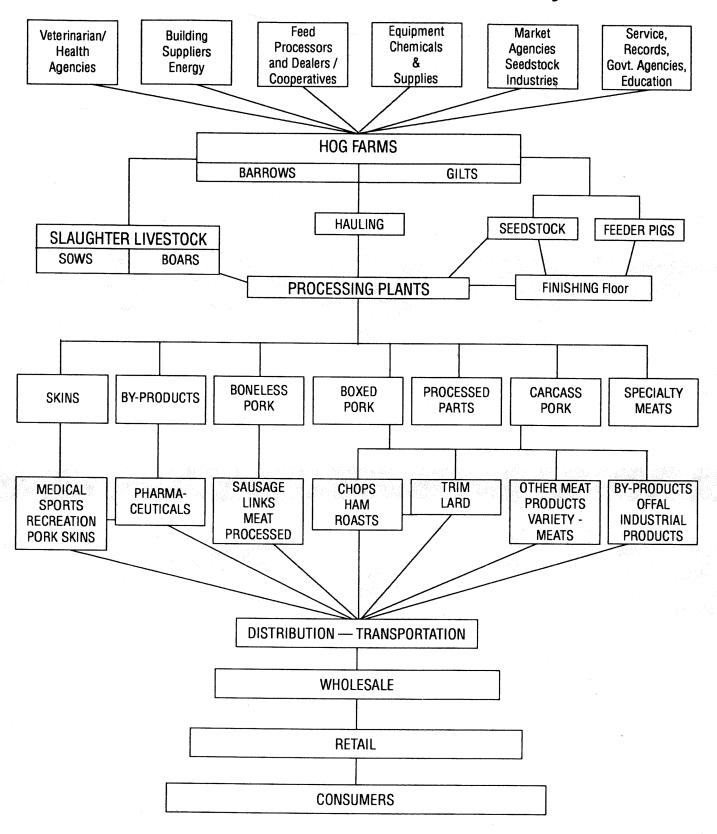
Source Wisconsin Agricultural Statistics Service.

### Wisconsin Soybeans



Source Wisconsin Agricultural Statistics Service.

### **Graph 2.1 - Wisconsin Pork Industry**



Source: Wisconsin Pork Industry Task Force, 1990 Report



rustomers

# IBP's Earnings More Than Quadruple As Meatpacker Cashes In on Hog Glut

By Scott Kilman

Staff Reporter of The Wall. Street Journal Meathacking giant IBP Inc., benefiting from cheap hog prices battering the Farm Belt, said that its fourth-quarter profit more than quadrupled.

IBP, the nation's biggest pork and beef processor, said it earned a record \$91.8 miltion, or 98 cents a dibuted share, for the quarter ended Dec. 26, up from \$21.7 miltion, or 23 cents a diluted share, in the year-earlier quarter. Sales dropped 5.5% to \$3.08 billion from \$3.26 billion.

The profit generated by the Dakota City, Neb., company was bigger than expected by Wall Street analysts. But IBP shares rose just slightly, held in check by projections that the windfall will evaporate later this year as hog prices recover.

In New York Stock Exchange composite trading yesterday, IBP rose 25 cents to close at \$24.375. Since the beginning of September, IBP stock has climbed more than 40%.

A glut of hogs sank animal prices to Depressionera levels last year, slashing IBP's cost of turning 19 million swine into everything from pork chops to bacon. There was little pressure on IBP to pass along all of its savings.

The log glut was so big that IBP and other meatpackers were killing all the animals their plants could handle, and stores that cut prices couldn't get much more to sell. According to the U.S. Department of Agriculture, the price of pork in the supermarket fell only about 3% during the fourth quarter, while the price farmers received for their hogs dropped by nearly half.

Farm groups reacted angrily to IBP's quarterly profit. "These big profits show us that the market isn't working," said Clay Pederson, spokesman for the National Farmers Union in Denver.

Farm groups have long complained to Washington about concentration in the meat industry. Now, with agricultural economists predicting that one-third of hog farmers might quit the business this year. Farm Belt legislators are pressing the Justice Department to look more closely at competition among meatpackers. The four biggest meatpackers control roughly half of the nation's hog-slaughter capacity.

A decade ago, IBP was attacked by farm groups for building new plants that drove smaller meatpackers out of business. Now, it is under attack for not expanding quickly enough to digest the glut. IBP hasn't reopened the slaughtering operations it closed in 1997, when hog prices were high. Those 1997 prices are what spurred farmers to increase their pig output 10% this year.

By not expanding, IBP is keeping itself from getting stuck with excess capacity when the shakeout among hog farmers cuts the size of the herd again later this year. Commodity traders, anticipating a drop in the size of the U.S. swine herd, are already beginning to bid up hog prices.

In all of 1998, IBP profit rose 62% to \$190 million, or \$2.03 a diluted share, from \$117 million, or \$11.25 a share, a year earlier. Sales fell 3.1% to \$12.85 billion from \$13.26 billion. The 1998 results include an extraordinary loss of \$14.8 million, or 16 cents a share, for early debt payment.

120/99Wisconsin State Journal

# og tarmers may ge

interest loans to help until the market gets producers survive considering low-Legislature better.

# By Mike Flaherty Legislative reporter

quickly for Wisconsin's hog interest loans may be on the way farmers, most of whom are los-Help in the form of lowing money on every pig they sell.

in Green Bay on providing \$5 million in state subsidized, low-The leader of the Wisconsin Assembly said Tuesday that lawmakers will hold a hearing today interest loans to farmers.

save them all," noted Rep. Al Ott, R-Forest, Junction, chairman of the Assembly Agriculture

"We're not going to be able to

Committee and author of AB50, which would alter the CROP program to help the state's 4.400

what we can to salvage those

that we can help.

nog farmers. "But we need to do

The full Assembly will likely pass the measure and send it to the Senate next week when the Legislature meets, said Assem-

Legislature's Joint Finance Committee, which isn't schedbly Speaker Scott Jensen, R. Ott's bill parallels a similar effort by Gov. Tommy Thompson to use CROP to help hog farmers. But Thompson's plan re-quires approval by the uled to meet anytime soon. "The hope is that several get these bridge loans (and survive until) there is a break in the The plan is to use the state's hundred farmers will be able to

The idea may stumble in the Democrat-controlled Senate, quickly, Jensen said.

\$50,000 at 1 percent interest above the prime rate to strugging hog farmers. The loan

guarantee program, run by the Wisconsin Housing and Economic Development Authority,

is a self-financing revolving loan guarantee fund that isn't widely

gram, to provide loans of up to

CROP, or Credit Outreach Pro-

market," Jensen said.

Waukesha.

however

Smaller family farms "are the ones that, business-wise, are dying day by day," and, "unless we retain our family farms, we're going to lose our communities," said Sen Alice Clausing, D-Menomonie, head of the Sen-

Sen. Brian Burke, D.

By passing it into law, 'help could be delivered much more

created a huge oversupply of Two Senate leaders said they don't want those low-interest because those are the farms that loans given to "factory farms" pork in the first place.

ate Agriculture Committee.

Committee hearing on AB50 will be held at the Comfort Suites at 1951 Bond St. in ■ IF YOU GO: The Assembly Green Bay beginning at Agriculture 1:30 p.m

farmer can raise and still be eli-Milwaukee, head of the Legisla-ture's Joint Finance Committee, said lawmakers may want to imit the number of hogs a gible for the program.

The Wisconsin Pork Producthan 500 of the state's farmers ers Association notes that fewer raise more than 500 hogs at any

"We simply don't have many large hog farms in this state," Ott said. For those hog farms that are larger, he said, "we need to make sure they remain competitive." time.

# Pork prices prompt aid plan

# Thompson wants emergency loans

By Rick Barrett Agribusiness reporter

Gov. Tommy Thompson is asking for \$5 million in guaranteed loans to help hog farmers weather some of the lowest prices since the Depression.

Eligible farmers could receive loans of up to \$50,000 payable within three years. The interest would be at below-market rates, and 90 percent of each loan would be guaranteed by the state.

and 90 percent of each loan would be guaranteed by the state.

A nationwide glut of pork has depressed hog prices to the point where farmers are losing about \$75 for every hog they sell.

Some farmers have run out of money to buy feed, and they can't get credit, state officials said.

Thompson's emergency request has been sent to the Legislature's Joint Finance Committee for final approval.

It's not on the committee agenda yet, but that could change in the next few weeks, officials said Thursday.

The loans would be administered by the Credit Relief Outreach Program (CROP) under the Wisconsin Housing and Economic Development Authority. Normally, CROP loans are capped at \$20,000 each and must be repaid within a year.

In announcing the request for guaranteed loans, Thompson signed an executive order declaring an economic emergency in the pork industry.

Loans would be available on a first-come, first-served basis.



BRANDON SCHOLZ
PRESIDENT

10 -

1) Flo on Farmlands efforts -

2) The meat department doesn't operate in a vacum-

Sharola

2601 CROSSROADS DRIVE • SUITE 185 • MADISON, WI 53718 • 608/244-7150

**Brandon Scholz** 

From:

pginfo@progro.com

Sent:

Thursday, December 24, 1998 12:59 PM

To:

pginfo@progro.com

Subject:

PROGRESSIVE GROCER HEADLINES: FRIDAY, DECEMBER 25, 1998

PROGRESSIVE GROCER HEADLINES: FRIDAY, DECEMBER 25, 1998

FROM THE STAFF OF PROGRESSIVE GROCER, WE WISH YOU AND YOUR FAMILY A HAPPY HOLIDAY!

Rica Foods Inc. Announces Three New Executive Appointments:

Rica Foods Inc. (Nasdaq: RICA) is pleased to announce three new executive appointments: Mr. Jose Pablo Chaves began his new position as Chief Operating Officer ("C.O.O.") as of December 16. Mr. J.P.

U.S. Says Listeriosis Outbreak Sickened 40:

A food-borne disease possibly linked to contaminated meat has made at least 40 people sick in 10 states and killed four of them, federal officials said Wednesday. The Centers for Disease Control and Prevention (CDC) said the outbreak of listeriosis, an illness caused by the bacterium Listeria, has affected 13 people in Ohio and 12 in New York.

WTO sets key meet on banana dispute for Jan. 12:

A key World Trade Organization meeting on the banana dispute, which threatens to spark a trans-Atlantic trade war -- will be held on Jan. 12, diplomats said Wednesday.

U.S. Says Listeriosis Outbreak Sickened 40:

A food-borne disease possibly linked to contaminated meat has made at least 40 people sick in 10 states and killed four of them, federal officials said Wednesday.

Starbucks Promotes Jim Alling to Senior Vice President, Specialty Sales and Marketing:

Starbucks Coffee Company (Nasdaq:SBUX) announced today the promotion of Jim Alling to senior vice president, Specialty Sales and Marketing.

### U.S. hog prices jump after big packer sets floor:

<u>U.S. hog prices rose about \$3 per 100 pounds this week in Midwest markets to the \$14-\$15 area after Farmland Industries, the nation's sixth largest pork producer, said Tuesday it would pay farmers a minimum of \$15 per 100 pounds for live hogs.</u>

View the Complete News Stories At:

http://www.progressivegrocer.com/ and select Daily News

To unsubscribe, send e-mail to <a href="mailto:pginfo@progro.com">pginfo@progro.com</a> with Remove in the subject



**Brandon Scholz** 

From:

PGNEWS@PROGRO.COM

Sent:

Sunday, December 27, 1998 12:29 PM

To:

PGNEWS@PROGRO.COM

Subject:

PROGRESSIVE GROCER HEADLINES: MONDAY, DECEMBER 28, 1998

PROGRESSIVE GROCER HEADLINES: MONDAY, DECEMBER 28, 1998

LEARN ABOUT THE RECENT DEVELOPMENTS IN SUPERMARKET RELATED TECHNOLOGY. ATTEND THIS YEAR'S FMI MARKETECHNICS CLICK HERE: http://www.progressivegrocer.com/cgi-bin/ads.pl?advert=fmi

British supermarket in Christmas opening stir:

British supermarket group J. Sainsbury Plc opened two of its stores on Christmas Day, provoking outrage from church leaders and demonstrators but attracting more than 2,000 shoppers, newspapers reported on Saturday.

Chill Costs California Citrus Growers \$591 Million:

An early winter cold snap across key citrus-growing regions of California has cost farmers an estimated \$591 million in crop damage, and the bill looks likely to rise as cold weather continues, officials say.

### The beef industry is launching a new advertising campaign:

A new breed of heat-and-serve beef entrees will arrive in supermarkets at a lightening pace in 1999. The beef industry is launching a new advertising campaign to let time-pressed consumers know "easy beef" is coming to the rescue.

Intactix Takes the Database Approach to Space and Category Management, Releases pro/fusion:

Drawing the interest of retailers and manufacturers world wide and connecting the proverbial "dots" that bring the elements of category management onto the same page, space management software leader Intactix International, A Pricer Company, has released its new merchandising platform, pro/fusion(TM).

New Year to bring more mergers, IPOs, shopping, portals:

Close your eyes for a moment and picture where the Internet will go in 1999. Will there be faster access or traffic jams? More online stores or security scares?

Super-Sol Ltd. Announces Intent to Buy Stock by Subsidiary:

Super-Sol Ltd. (NYSE: SAE), Israel's leading supermarket chain, today announced that a wholly-owned subsidiary of Super-Sol (Hevrat Hanechasim Shel Supersol B. M), may purchase up to 5% of Super-Sol's outstanding ordinary shares on the Tel-Aviv Stock Exchange and in privately negotiated transactions.

View the Complete News Stories At:

http://www.progressivegrocer.com/ and select Daily News

To unsubscribe, send e-mail to  $\underline{pginfo@progro.com}$  with Remove in the subject



### Cooperative Extension • University of Wisconsin-Extension

### College of Agricultural and Life Sciences • University of Wisconsin-Madison

### **Department of Animal Sciences**

Vernon D. Leibbrandt, Extension Livestock Specialist, Swine 249 Animal Sciences Building 1675 Observatory Drive University of Wisconsin-Madison Madison, WI 53706-1284 608-263-4312 Fax: 608-262-5157 email: vdleibbr@facstaff.wisc.edu

AM

JAN 0 7 1999

January 5, 1999

Alvin R. Ott Wisconsin Third Assembly District Room 318 North State Capitol P.O. Box 8953 Madison, WI 53708-8953

### Dear Assemblyman Ott:

I want to compliment you on the leadership you provided during the recent Assembly Ag Committee hearing on the state of Wisconsin's pork industry. The proceedings exceeded what I was expecting when we discussed the hearing agenda. Thank you for caring about the pork industry and doing what you can to preserve this economic resource.

I greatly appreciate the opportunity to in some small way contribute to the Ag Committee's work. Please call if I can help you in any way regarding pork industry issues.

Sincerely,

Vernon D. Leibbrandt, Ph. D.

Extension Livestock Specialist, Swine

Narveson, Linda

From: Dennis R. Buege [drbuege@facstaff.wisc.edu]

Sent: Thursday, December 24, 1998 9:37 AM

To: Rep.Ot

Subject: PorkNet's Daily Update -- December 24, 1998

From: "Knowledgeworks / Dr. Tom Stein" < tomstein@porknet.com>

To: Pork Mail < tomstein@porknet.com>

Subject: PorkNet's Daily Update—December 24, 1998

Reply-To: tomstein@porknet.com
Organization: Knowledgeworks, Inc
Date: Thu, 24 Dec 1998 08:11:05 -0600

PorkNet's PorkMail Daily Update - Thursday, December 24, 1998

First Annual Daily Update Christmas Edition newsletter! Merry Christmas to all!! We will start publishing again on January 4, 1999. Thanks for all your support this year. See you next year!

This issue received by over 2,000 pork industry professionals

\*\* visit http://www.porknet.com \*\*

### TODAY'S ARTICLES

- 1. Wednesday's Commodities Markets Review
- 2. U.S. Hog Prices Jump After Big Packer Sets A Floor
- 3. Dear Darling Son and That Person You Married
- 4. POLITICALLY CORRECT CHRISTMAS
- 5. The 12 Net Days of Christmas
- 6. Bill Clinton Went to Heaven, or More Accurately ...
- 7. There Was a Famous Weather Man Named Rudolf

### MARKETS & PRICES

Wednesday's Commodities Markets - Review

CHICAGO (AP) -- Grain futures were mixed and soybean prices lower in quiet trading Wednesday on the Chicago Board of Trade. Wheat futures gained on news the Russian government had signed an agreement allowing U.S. agricultural assistance to that country. The market also reacted favorably to the Agriculture Department's purchase on Tuesday of 695,000 metric tons of wheat for donation to foreign countries. Corn futures were steady to slightly lower on export news. South Korea bought another shipment of corn, bringing the total sales for the week to 160,000 metric tons. Soybean futures prices fell, pushed lower on news of rains in Brazil, which are benefiting that nation's soybean crop. Wheat for March delivery settled 1 cent higher at \$2.77 ¾ a bushel; March corn was a ¼ cent higher at \$2.19 ¼ a bushel; March oats were a ½ cent lower at \$1.08 a bushel; January soybeans were 1 ¾ cents lower at \$5.43 ½

a bushel.

Hog and cattle futures were prices were higher in trading on the Chicago Mercantile Exchange. Higher cash prices being paid for hogs by processors and belief the federal government will make another hog purchase gave a boost to the market. December live cattle were 73 cent higher at 59.05 cents a pound; January feeder cattle were 73 cent higher at 68.35 cents a pound; February hogs were 1.25 cents higher at 30.77 cents a pound; February pork bellies were .32 cent higher at 41.67 cents a pound.

U.S. Hog Prices Jump After Big Packer Sets A Floor

U.S. hog prices rose about \$3 per 100 pounds this week in Midwest markets to the \$14-\$15 area after Farmland Industries, the nation's sixth largest pork producer, said Tuesday it would pay farmers a minimum of \$15 per 100 pounds for live hogs.

Kansas City-based Farmland, which slaughters about 22,800 hogs daily at its four plants, and Hatfield Quality Meats of Hatfield, Pa., which slaughters about 7,000 a day, are the only major pork processors to announce price assistance plans for hog producers. Hatfield guaranteed farmers a minimum of \$25 per 100 pounds in northeastern U.S. markets for the rest of December. "Hopefully, it will put a smile on their faces," Hatfield's meats supervisor Tom Moyer said of the new price floor.

Livestock analysts applauded Farmland's action, but said hog prices were probably due to reach \$15 in Midwest markets by early January anyway. They said fewer hogs would be available then because extremely low hog prices in the fourth quarter had forced producers to shrink herds. "It's definitely a gesture of goodwill, but it doesn't do much for the producer's bottom line," said Paul Georgy, president of Allendale Inc., an agriculture consulting firm.

The higher prices should not affect earnings at Farmland or other pork processors, because the companies have enjoyed healthy profits due to the low hog prices. "Pork margins for processors are high, historically high," said George Richter, president of Farmland's pork division. Huge hog supplies were largely responsible for the sharp drop in prices this year. Exports of U.S. pork have dropped in the wake of economic problems in Asia and Russia, but supermarket sales have been robust, Richter said.

Meatpackers have slaughtered huge numbers of hogs to prevent backlogs of the animals. The U.S. Agriculture Department estimated Monday's hog slaughter at 395,000 head, the largest one-day slaughter this year and the highest since the record 400,847 slaughtered on December 1, 1983. Richter said the hog slaughter rate may continue high for three to four more weeks.

**Daily Market Summary** 

http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fwww%2Eext%2Emissouri%2Eedu%2Fagebb%2Fmkt%2Fbullet7%2Ec&lst=1

USDA Midwest Direct Hogs (updated daily) http://www.porknet.com/webnav.cfm?link=gopher%3A%2F%2Fshelley%2Eca%2Euky%2Eedu%2F00%2F%2Eagwx%2Fusr%2Fmarkets%2Fusda%2FWHLS831&lst=1

National Base Lean Hog Carcass Slaughter Cost Report (updated daily) http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fwww%2Eams%2Eusda%2Egov % 2Fmncs%2Fmn%5Freports%2FNW%5FLS295%2Etxt&lst=1

Weekly Midwest Hog Review (updated each Friday)
http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fwww%2Eams%2Eusda%2Egov
%
2Fmncs%2Fmn%5Freports%2Fsc%5Fls851%2Etxt&lst=1

Iowa-Southern Minnesota Direct Hogs (updated daily)
http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fwww%2Eams%2Eusda%2Egov
%
2Fmncs%2Fmn%5Freports%2FNW%5FLS230%2Etxt&lst=1

### NATIONAL PORK PRODUCERS COUNCIL NEWS

http://www.nppc.org/NEWS/newsLeader-rls.html

### MERRY CHRISTMAS

Dear Darling Son and That Person You Married http://www.porknet.com/artclvw.cfm?id 42

POLITICALLY CORRECT CHRISTMAS http://www.porknet.com/artclvw.cfm?id 43

The 12 Net Days of Christmas http://www.porknet.com/artclvw.cfm?id 44

Bill Clinton Went to Heaven, or More Accurately, Approached St. Peter at the Entrance To Heaven http://www.porknet.com/artclvw.cfm?id 45

There Was a Famous Weather Man Named Rudolf http://www.porknet.com/artclvw.cfm?id 46

| BUSINESS & COMPANIES                  |                           |
|---------------------------------------|---------------------------|
| Merry Christmas!                      |                           |
| INTERNATIONAL TRADE                   |                           |
| Merry Christmas!                      |                           |
| INDUSTRY ANALYSIS (MARKETING, ST      | RATEGY, MARKET POTENTIAL) |
| Merry Christmas!                      |                           |
| CURRENT ISSUES                        |                           |
| Merry Christmas!                      |                           |
| MEAT SCIENCE                          |                           |
| Merry Christmas!                      |                           |
| PIG PRODUCTION                        |                           |
| Merry Christmas!                      |                           |
| PIG NUTRITION                         |                           |
| Merry Christmas! PIG HEALTH & DISEASE |                           |
| Merry Christmas!                      |                           |
| NUTRIENT MANAGEMENT                   |                           |
| Merry Christmas!                      |                           |
| HUMAN RESOURCES                       |                           |
| Merry Christmas!                      |                           |

BIOTECHNOLOGY

Merry Christmas!

FOOD TRENDS / MARKETING

Merry Christmas!

REQUESTS & ANNOUNCEMENTS

Merry Christmas!

SEARCH ENGINE LINKS

Yahoo - News About Pigs http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fsearch%2Emain%2Eyahoo%2 Ecom%2Fsearch%2Fnews%3Fp%3Dpigs&lst=1

Yahoo - News About Pork http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fsearch%2Emain%2Eyahoo%2 Ecom%2Fsearch%2Fnews%3Fp%3Dpork&lst=1

Yahoo - News About Agriculture http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fsearch%2Emain%2Eyahoo%2 Ecom%2Fsearch%2Fnews%3Fp%3Dagriculture&lst=1

Yahoo - News About Food Companies / Food Industry http://www.porknet.com/webnav.cfm?link=http%3A%2F%2Fbiz%2Eyahoo%2Ecom%2Fn%2 Fy%2Fy0012%2Ehtml&lst=1

PorkNet's PorkMail Daily Update is produced by Knowledgeworks and is edited by Dr. Tom Stein.

To find out more about Knowledgeworks or Dr. Stein, click on these links ... http://www.porknet.com/tom.htm http://www.porknet.com/aboutporknet.htm

Or visit PorkNet.com at http://www.porknet.com

Submit press releases & other news to feedback@porknet.com

You can advertise in this newsletter! For sponsorship or advertising info call 612-948-1980

#### DIRECTIONS, INFORMATION AND COPYRIGHT NOTICE

The PorkNet PorkMail Daily News Update is provided FREE to qualified professionals throughout the worldwide pork industry.

To BEGIN receiving this summary directly, send a message with a subject of 'subscribe' to <a href="mailto:feedback@porknet.com">feedback@porknet.com</a>

To STOP receiving this service, send a message to feedback@porknet.com or call Member Services at 612-948-1980 or 612-884-7170 (FAX)

This news summary may be redistributed provided it is kept in its entirety.

A knowledgebase of over 30,000 articles on business and technical information for pork production and the worldwide pork industry is available to PorkNet.com Subscribers and Members. The full text of many of these articles is also available. An annual subscription costs US\$29.95 per month. To sign up for an individual subscription, or for information about corporate discounts, call Knowledgeworks at 612-948-1980 or 612-884-7170 (FAX) or send an e-mail message to feedback@porknet.com. PorkNet.com currently offers a one-month FREE TRIAL subscription to new users. http://www.porknet.com

# TO DELIVER YOUR ARTICLES, PAPERS, PROCEEDINGS OR MONOGRAPHS THROUGH PORKNET.COM

Knowledgeworks provides a variety of mechanisms for delivery of information to pork industry professionals including this news product and the PorkNet.com Web Site (http://www.porknet.com)

We can deliver your information on a promotional, subscription or a pay-per-view basis.

For more information, contact Tom Stein at 612-948-1980 (tomstein@porknet.com)

This message and the interactive delivery system is part of Knowledgework's Interactive Electronic Marketing Systems. These systems include custom message delivery, context based linking, interactive response, user authentication and validation, 'pay-per-view' delivery, database publishing and web/email integration. For information on customizing these systems for your organization or delivering your information through these systems, contact Knowledgeworks Sales at 612-948-1980 or 612-884-7170 (FAX) or send an E-mail to feedback@porknet.com

\_\_\_\_\_\_

To unsubscribe to the PorkNet PorkMail Daily Update, send mail to: <a href="mailto:feedback@porknet.com">feedback@porknet.com</a>

For more information about PorkNet.com (advertising and sales) please contact:

Dr. Tom Stein Knowledgeworks, Inc 5508 River Bluff Curve Bloomington, MN 55437 612-948-1980 612-884-8170 (FAX)

http://www.porknet.com

Copyright © Knowledgeworks, Inc 1998. PorkNet.com and PorkMail are trademarks of Knowledgeworks, Inc.

**END OF MESSAGE** 

PorkNet—<u>http://www.porknet.com</u>—provides business and technical information

for the worldwide pork industry.

Dennis R. Buege Extension Meat Specialist UW-Madison 1805 Linden Drive Madison, WI 53706 608-262-0555 608-265-3110 (fax) drbuege@facstaff.wisc.edu Narveson, Linda

From:

PETER C. CHRISTIANSON [PCC@quarles.com]

Sent:

Sunday, December 27, 1998 9:51 PM

To:

Rep.Ott

Subject:

MSP Star Tribune Pork Story Published 12-27-98

## **Published**

Sunday, December 27, 1998

Hog heaven has

its price

# **Paul Levy**

Star Tribune

Staff Writer

#### MONTGOMERY,

#### MINN.—Karen Richter, wearing her "I'm

Proud to Raise

Quality Pork" T-shirt, gazed across the hog

farm her

husband's family has owned for 42 years. She

and her

husband, Dave,

purchased the farm four years ago-when,

she said, its assets were worth four times what they are now.

"I think we'll

get through this. I hope we'll get through

this,"

Karen said a few

days before Christmas as Dave tossed

another bale of hay toward a dozen of the farm's 150 sows.

"You know, part

of the land Dave's dad owns was given to a

Civil War widow.

#### I wonder what she would have thought of

what's happening now."

The Richters

represent a strong

Minnesota farm

tradition. They've spent

months trying to

understand how hog

prices could

drop to a 27-year low in a

market that

continues to show a steady supply and demand for pork products.

Minnesota

farmers, who produce 10

million hogs per

year, are losing a

collective \$14

million per week, Dave

Preisler,

executive director of the

Minnesota Pork

Producers Association,

said last week

from his office in Mankato. Many of those

farmers are

receiving as little as 9 cents per pound for

pork,

which once

brought them nearly 70 cents per pound, while

retailers' prices have remained stable at \$2 to \$3 a pound.

There are 10,000

Minnesota farmers who raise hogs, but there

are only 6,000

Minnesota farm families who depend

substantially on

hogs for their living. Among them are the

Richters, who

have approximately 1,000 hogs and piglets on

their farm, and "loans on everything," Karen said.

Both college-educated and from longtime

farm families, the Richters knew how

grain and livestock prices fluctuate when

they made what they still hope will be a

lifelong commitment to farming. Dave,

33, represents the fifth generation of

farmers—his family is listed among the

original settlers of this Le Sueur County

town, about 50 miles southwest of

Minneapolis.

Almost everything in their home—from

the

pig-decorated potholders on the kitchen

table to

4-year-old son

Bradley's pencil sketches of hogs-

suggests

how proud the Richters are to continue this tradition.

The Richters'

office boasts nine Future Farmers of America

plaques. The e-mail address for their D-K-R Swine Farms begins Rhogheaven. Daughter Kate, 10, who wants to be a veterinarian, has been showing dairy calves at fairs since she was 3 and showing since she was 5.

Even Bradley has shown his pig, Lightning.

## Lean times

But look and listen carefully and the squeals of an unforgiving hog market are everywhere. A new barn, to replace the old one which was damaged by hail storms, will have to wait.

#### Plans for an

automatic generator system-to be used during power failureshave been scrapped for a cheaper portable generator.

"We're optimistic and we're looking at the long-range picture," said Dave, who awakens each day at 5 a.m.—not to tend hogs first thing, but to spend an hour studying up-to-the-minute livestock and crop reports on his two computers. "Who would have ever thought prices for hogs could drop to 9 to 11 cents?" he asked. "What makes it most frustrating is production has increased and the demand has increased." Hog production and the demand for pork have both increased, in the United States and abroad, agriculture experts say. But problems in the processing and

packaging of

hogs have driven hog prices to their

lowest level in nearly

40 years.

The closing of

three major packing

plants in the

past 18 months-in

Detroit, Council

Bluffs, Iowa, and Huron, S.D.—cost the

pork industry

facilities that processed a total of 35,000

hogs

per day,

Preisler said. Because more hogs are being

delivered

than existing

packing plants can handle, those plants can

pay

hog producers

extremely low prices while retail pork

prices

have remained

steady. The packaging plants and retailers

have

reaped steady

profits. In Minnesota, there are packaging

plants

in Worthington and Austin.

Meanwhile, hog

producers wonder how much longer they can

live on earnings

that are less than one-fifth of what they

earned

two years ago.

An industry torn

apart

"I'm looking at a list of the county hog farmers of four years ago and I can literally tear whole pages out because these people aren't raising pork anymore," said Dave Pfarr, a University of Minnesota Extension educator based in Le Center, Minn. Pfarr said half the farmers raising hogs in Le Sueur County four years ago have since quit the pork industry.

#### "If we see this [low pork prices] progress

another 60 to 90 days, the fallout will be

dramatic," Wayne Schoper, Extension

educator in

southern Minnesota's Brown County, said from

New Ulm. "We've

seen a real decline in the livestock

industry

overall, but

what's about to happen in the pork industry

could

be devastating."

It already had

been a difficult year for Jim Hanson, a

third-generation

hog farmer from Comfrey, Minn., whose

grandmother's

home and family farm was destroyed by a

tornado last

spring. Hanson, 41, whose own farm produces

2,500 to 3,000

hogs a year, said he has lost \$30,000 this

year

because of the

low hog prices. Hanson's wife, Geri, had

been

his farming

partner, but she recently took a marketing

job to

supplement the

family income. One of Hanson's hog barns is

nearly empty and he has no plans to restock it before spring.

"How would you

like to be selling hogs for 10 cents a

pound,

knowing that you're going to lose \$35 a head on them?"

Hanson asked. He

may have been generous; other state hog

farmers and

agriculture experts say producers are losing

nearly

\$55 per hog sold.

Long-time hog

producers such as Jim Marty, 59, of Sleepy

Eye, Minn., have

seen prices plummet before—though not

this

drastically.

Marty recalls receiving as much as 67 cents

per

pound for his hogs twice within the last decade.

"Jim was saying

how boars are only selling for two and a

half

cents a pound," said his wife, Marcia. "Now, boars are always

low, but to get an idea of how incredibly low that is, Jim's dad,

Oliver, was

saying how hogs were selling for only two cents a

pound during the

Depression. But during the Depression, two cents actually bought something. It sure doesn't anymore.

"I went to the

market the other day and hams are selling for

\$32," she said.

"Why, you can buy an entire hog for \$18!"

## No cure in sight

Livestock and grain prices have been erratic for much of the

past two decades

so much so that Myron Grussing, 60, who has farmed since

## 1970 in the southwestern Minnesota

community of Rushmore, has not been to a doctor in 15

years

for fear that he

won't be able to pay his medical bills. His

familv

has not taken a vacation in three years.

Grussing usually produces between 850 and 950 hogs a year.

But he stopped

buying feeder hogs, animals being fattened

in a

feedlot, in

November. And he worries that young

Minnesota

farmers will abandon the hog industry entirely.

"It requires

deep pockets or a father in the business who

can

help out," said

Grussing, whose son Richard, 28, has

produced

hogs for five

years. "And it will get worse. I don't think

the full

impact has come

through the agriculture community yet. We

may see worse after the first of the year, when people start doing their books."

The Richters,

who take a daily glance at their books and the

reports of the global economy, have managed to survive by contracting out 75 percent of their produce. By doing so, the

buyers have offered a fluctuating price range that is guaranteed

not to sink as
low as the current hog prices. But
contracting is a
calculated risk

in a cyclical market. Hog prices could take

dramatic upward turn that would not be reflected fully in contractual payments that have a ceiling price. "It keeps you

alive," said Dave, a 1985 graduate of the University of

Minnesota-Waseca. That's where he met Karen, who grew up on a

New Ulm dairy farm. "But it's still frustrating

to abide by all
the government regulations, produce a good,
healthy product
that people want, and have little, if

that people want, and have little, if anything, to

show for it." Help on the way?

Preisler said
members of the Minnesota Pork Growers
 Association are
hoping the federal government will develop a
 revenue
assurance program for livestock while
exploring
minimum livestock pricing on a federal level.
Preisler also said
 Canadian hogs
are flooding the market, driving prices
down,
and suggested Congress attempt to limit the influx.
 Unless changes

in the hog market are seen in the next few

months, a

substantial number of Minnesota hog farmers will be

driven from the industry, he said.

Last Tuesday, 50

to 60 farmers, bankers and others in

agribusiness

gathered to urge Rep. Gil Gutknecht,

R-Minn., to

do something

about the crisis and do it fast. They

suggested

federal loan

guarantees, limits on large corporate hog

farms,

limits on

imports of Canadian hogs, and amending the

Freedom

to Farm law.

On Friday, U.S.

Agriculture Secretary Dan Glickman said his

department will

temporarily stop lending money for new

production plants in an effort to help hog farmers.

Next Tuesday,

legislators from Minnesota, South Dakota and

Iowa will gather in Sioux Falls, S.D., to discuss the problem.

The Three-State Pork Price Crisis Forum will be from 10 a.m.

to 1 p.m. in the

Sioux Falls Stockyards. Minnesota Rep. Ted

Winter, D-Fulda,

S.D. State Sen. Frank Kloucek and Iowa

State Sen. Jack Kibbie will take part.

The Richters,

who also farm a total of 480 acres of corn

and

soybeans, harbor no regrets over the life they have chosen.

They talk about

the possibility of their children continuing

the

family tradition.

"We have to face

the fact that fewer people our age are in

agriculture,"

Dave said. "You have to be a businessman to

be a

successful

farmer today. You used to think that if you

work

hard, you're

going to make it. But hard work is only a

portion

of farming.

Business decisions can make or break you.

And it's

hard when somebody else is dictating those decisions for you."

Peter C. Christianson Quarles & Brady LLP pcc@quarles.com

MKE: 414-277-5745 MKE FAX: 414-271-3552 MSN: 608-283-2492 MSN FAX: 608-251-5139